

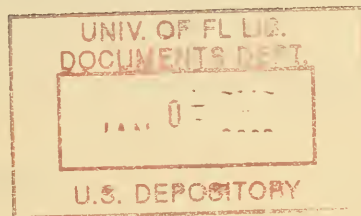
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

**MERCHANT AND CUSTOM
TAILORING INDUSTRY**

AS APPROVED ON JULY 31, 1934



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CODE OF FAIR COMPETITION
FOR THE
MERCHANT AND CUSTOM TAILORING INDUSTRY

As Approved on July 31, 1934

ORDER

CODE OF FAIR COMPETITION FOR THE MERCHANT AND CUSTOM
TAILORING INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Merchant and Custom Tailoring Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

ROBERT L. HOUSTON,
Division Administrator.

WASHINGTON, D.C.,
July 31, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Hearing on the Code of Fair Competition for the Merchant and Custom Tailoring Industry, held in the Auditorium of the Department of Commerce Building, on Saturday, January 27, 1934. The Code which is attached was presented by duly qualified and authorized representatives of the Industry, claiming to represent seventy-six per cent (76%) of the Industry.

In accordance with the customary procedure, every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

THE INDUSTRY

The Merchant and Custom Tailoring Industry includes the making of men's outer garments to the individual measurement of the wearer; all operations are performed by hand. The typical worker in the Industry is called a journeyman tailor. The garments made in the Custom Tailoring Industry sell at a unit price between seven and eight times as great as the unit price of garments made in the Men's Clothing Industry. It may therefore be concluded that the products of the Custom Tailoring Industry are of superior quality and workmanship.

In 1929 the Industry contained 11,284 firms who employed 23,277 workers. In the year 1929 the Industry produced about 1,700,000 garments valued at \$139,000,000 or about \$80.00 each.

The Custom Tailoring Industry is subject to considerable seasonal variation. Customers buy twice yearly; and as the product is wholly made to order, no stock can be built up out of season. About half the volume of business is contracted in a third of the year.

There are no reliable figures available on the number of hours worked per week by employees in this Industry. On the basis of a questionnaire sent out to 473 members of the Industry, it is estimated that there has been a fourteen and three tenths per cent (14.3%) increase in employment due to the President's Reemployment Agreement.

LABOR PROVISIONS OF THE CODE

The Code provides that no employee may be permitted to work in excess of thirty-six (36) hours in any one week or eight (8) hours in any twenty-four (24) hour period, except in an extreme emergency, which emergency shall be certified in writing by the consumer at the time of sale. One and one third ($1\frac{1}{3}$) the normal rate shall be paid for all extra work above eight (8) hours per day.

Student apprentices may be employed for five (5) hours a day and twenty-five (25) hours a week.

The minimum rate of pay for journeymen tailors shall be sixty-five cents (65¢) an hour in any city of over 100,000 population or in the immediate trade area thereof; sixty cents (60¢) an hour in any city between 25,000 and 100,000 population or in the immediate trade area thereof; and fifty-five cents (55¢) in the remainder of the United States.

CONSTITUTION OF THE CODE AUTHORITY

The Merchant and Custom Tailoring National Code Authority is constituted so that equitable representation will be given to all industrial and labor groups. The Code Authority consists of thirteen (13) voting members distributed as follows:

National Association of Merchant Tailors of America-----	7
Pacific Coast Merchant Tailors Association-----	1
Merchant Tailor Designers Association-----	1
Contractors-----	1
Non-Association Members-----	1
Journeymen Tailors Union of America-----	1
Labor Advisory Board-----	1

OTHER PROVISIONS

The fair trade practices are all the general provisions suggested by the Federal Trade Commission with the exception of a provision which makes it an unfair trade practice for persons not carrying a stock of woollens or trimmings to advertise themselves as Merchant Tailors. However, such persons may advertise themselves as Custom Tailors.

FINDINGS

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings on this matter:

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervisions, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant associations are industrial associations truly representative of the aforesaid Industry; and that said associations impose no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons, this Code of Fair Competition for the Merchant and Custom Tailoring Industry has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

JULY 31, 1934.

CODE OF FAIR COMPETITION FOR THE MERCHANT AND CUSTOM TAILORING INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Merchant and Custom Tailoring Industry, and shall be the standard of fair competition for such Industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. *Industry*.—The term “Industry” as used herein means the making of men’s outer garments to the individual measurements and specifications of the wearer from patterns especially cut for the wearer, and the sale thereof direct to the wearer and not for resale, which garments are cut and designed at the retail establishment of the member of the Industry and finished by workmen whom such member of the Industry controls as to details and shaping of each garment. Every operation performed on the garment shall be strictly by hand, except for such operations as can be performed by the use of a plain sewing machine operated by man or electric power. Pressing may be done either by hand or by machine.

The Industry is not intended to include members of the Men’s Clothing Industry generally known in that Industry by the terms of “tailors-to-the-trade”, “wholesale tailors”, or “direct to the consumer wholesale tailors”, or “special order houses”, but it is intended to include contractors as defined in Section 2.

SECTION 2. *Contractor*.—The term “contractor” as used herein means anyone who is engaged by a Merchant or Custom Tailor and who supervises work in his own establishment for the purpose of performing any of the manufacturing activities of the Industry.

If a contractor makes garments for a Merchant and/or Custom Tailor, as well as for Clothing Manufacturers, Tailors-to-the-Trade, Special Order Houses and/or Wholesale Tailors, such contractor shall be exempted from the provisions of this Code but only insofar as and as long as he is subject to the Code of Fair Competition for the Men’s Clothing Industry, provided that such contractor shall comply with the minimum wage provisions of this Code. If a contractor works solely for Merchant and Custom Tailors, he will be governed by this Code.

SECTION 3. *Members of the Industry*.—The term “member of the Industry” as used herein means anyone, without limitation, engaged in the Industry, as an employer or on his own behalf or as a contractor.

SECTION 4. *Journeyman Tailor*.—The term “journeyman tailor” as used herein means anyone who is engaged in the Industry in per-

forming major operations in the making of garments, including the coat maker, waistcoat maker, trouser maker, breeches maker, try-on maker and bushelman.

SECTION 5. *Helper*.—The term “helper” as used herein means anyone engaged in the Industry in the performance of minor operations in the making of garments, such as felling, padding, and making buttonholes.

SECTION 6. *Student Apprentice*.—The term “student apprentice” as used herein means any unskilled person not heretofore engaged in the Industry who has matriculated in or graduated from a duly accredited trade school for whom a member of the Industry provides facilities or practical work in connection with his studies. Such practical training and instruction shall not exceed six months following graduation from a trade school, and there shall be no other employees in this Industry employed as apprentices.

SECTION 7. *Employee*.—The term “employee” as used herein means anyone engaged in the Industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation, except a member of the Industry.

SECTION 8. *Employer*.—The term “employer” as used herein means anyone by whom any such employee is compensated or employed.

SECTION 9. *President, Act and the Administrator*.—The terms “President”, “Act”, and “Administrator” as used herein mean respectively the President of the United States, Title I of the National Industrial Recovery Act and the Administrator for Industrial Recovery.

SECTION 10. *Population*.—Population for the purposes of this Code shall be determined by reference to the latest Federal Census.

SECTION 11. *Trade Area*.—The term “trade area” as used herein means any area designated as a trade area by the Code Authority and approved by the Administrator.

ARTICLE III—HOURS OF EMPLOYMENT

SECTION 1. *Maximum hours*.—No employee shall be permitted to work in excess of thirty-six (36) hours in any one week or eight (8) hours in any twenty-four (24) hour period except as herein otherwise provided.

Except as hereinafter provided, the hours of labor shall be between 8 a.m. to 12 noon and 1 p.m. to 5 p.m., and no Sunday work shall be allowed.

SECTION 2. Members of the Industry shall be permitted to work employees overtime at regular rates during peak seasons, the number of hours and the number of weeks to be determined, subject to the approval of the Administrator, through an agreement to be reached by a committee of the Code Authority appointed for this purpose and consisting of an equal number of representatives of industry and labor.

SECTION 3. The maximum of eight (8) hours in any twenty-four (24) hour period shall be permitted to be exceeded only for extreme emergency orders, which emergency shall be certified in writing by the consumer at the time of sale; however, in all such cases of emer-

gency work maximum hours per week shall not be exceeded. Time and one third ($1\frac{1}{3}$) shall be paid for all extra work above eight (8) hours per day. If any of the emergency work is done on Sunday, all of those hours shall be paid for at the rate of time and one third.

A complete report and the consumer's certification of such emergency and such excess hours shall be made to the Regional Code Committee. Failure to make such report shall be considered a violation of the provisions of this Code.

SECTION 4. No student apprentice shall be employed by any member of the Industry for a period in excess of twenty-five (25) hours in any week or five (5) hours in any twenty-four (24) hour period.

Student apprentices may be employed only directly by a member of the Industry and must be paid by said member of the Industry. No member of the Industry shall employ more than three student apprentices at any one time.

SECTION 5. Office help, stock clerks, salesmen, delivery men, janitors and porters shall be employed not more than forty-eight (48) hours in any one calendar week and not more than eight (8) hours in any twenty-four (24) hour period.

SECTION 6. Persons employed in an executive or managerial capacity are exempted from the provisions of Section 1, provided they are regularly paid not less than thirty-five dollars (\$35.00) per week.

SECTION 7. No employee shall be permitted to work more than six (6) days in any one week.

SECTION 8. Any person (including contractors) who does the work commonly performed by employees shall be subject to the provisions of this Code as to hours of labor.

SECTION 9. No employer shall knowingly permit any employee to work for any time which, when added to the time spent at work for another employer or employers, exceeds the maximum permitted herein.

SECTION 10. Nothing contained in the provisions of this Article shall be construed to replace or supersede provisions in collective agreements already in force with labor organizations that prescribe higher rates of pay or shorter hours of work than are prescribed herein.

ARTICLE IV—WAGES

SECTION 1. The minimum rate of pay for journeyman tailors shall be:

(a) Sixty-five (65¢) cents per hour in any city of over 100,000 population, or in the trade area thereof.

(b) Sixty cents (60¢) cents per hour in any city of 25,000 to less than 100,000 population not included in (a), or in the trade area thereof.

(c) Fifty-five cents (55¢) per hour in other places.

SECTION 2. *Wages for Helpers.*—The minimum pay for helpers shall be at the rate of forty cents (40¢) per hour.

SECTION 3. *Wages for student apprentices.*—The minimum rate of pay for student apprentices shall be thirty cents (30¢) per hour for the first six (6) months of employment in the Industry following graduation from a trade school, after which they shall be rated as "helpers."

SECTION 4. *Other Employees.*—No other employee shall be paid at less than the rate of:

(a) \$15.00 per week in any city of over 500,000 population, or in the trade area thereof.

(b) \$14.50 per week in any city of between 250,000 and 500,000 population, not included in (a), or in the trade area thereof.

(c) \$14.00 per week in other places.

SECTION 5. This Article establishes a minimum rate of pay, which shall apply irrespective of whether an employee is actually compensated on a time rate, piecework, or other basis.

SECTION 6. Female employees performing substantially the same work as male employees shall receive the same rates of pay as male employees.

SECTION 7. *Handicapped Persons.*—A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage below the minimum established by this Code if the employer obtains from the State authority designated by the United States Department of Labor a certificate authorizing such person's employment at such wages and for such hours as shall be stated in the certificate. Such authority shall be guided by the instructions of the United States Department of Labor in issuing certificates to such persons. Each employer shall file monthly with the Code Authority a list of all such persons employed by him, showing the wages paid to, and the maximum hours of work for such employee.

SECTION 8. (a) No provisions in this Code shall supersede existing rates of pay on an hourly or piece-work basis which are higher than those set forth in the Code.

(b) The weekly compensation for employment (whether based on a piece or time rate) now in excess of the minimum wages herein provided shall not be reduced, notwithstanding that the hours of work in any such employment may be hereby reduced, and piece rates shall be so adjusted that earnings at the shorter hours provided in this code shall be at least equivalent to those obtained under the longer hours heretofore prevailing.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. No person under sixteen (16) years of age shall be employed in the Industry, nor shall any person under eighteen (18) years of age be employed at operations or occupations hazardous in nature or detrimental to health. The Code Authority shall submit to the Administrator within six months after the effective date of this Code, a list of such operations or occupations. In any State an employer shall be deemed to have complied with the provisions of this Section if he shall have on file a certificate or permit, duly signed by the Authority in such State empowered to issue employment or age certificates or permits, showing that the employee is of the age required by this section.

SECTION 2. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or

in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

SECTION 3. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

SECTION 4. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

SECTION 5. No provision in this Code shall supersede any State or Federal law imposing on employers more stringent requirements as to age of employees, wages, hours of work, or as to safety, health, fire, or general working conditions than are imposed by this Code.

SECTION 6. Employers shall not reclassify employees or duties of occupations performed by employees or engage in any other subterfuge so as to defeat the purposes of the Act.

SECTION 7. Each employer shall comply with rules and regulations of the Administrator as to the posting of this Code or portions thereof, and related data.

SECTION 8. *Home Work.*—The practice of manufacturing in this Industry in the home or living quarters of an employee shall be terminated not later than four (4) months after the effective date of the Code; except as provided in the Executive Order of May 15, 1934. In the meantime and until such termination the following rules and regulations shall govern the members of this Industry in relation to homework.

(a) No member of the Industry shall permit home work in any home not used by such member for such purpose on the effective date of the Code.

(b) Every member of the Industry shall file with the Code Authority a list of such home work establishments.

(c) Every member of the Industry shall be personally responsible for the compliance by an employee, working in his home, with all the labor provisions of this Code.

SECTION 9. *Safety and Health.*—Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment. Standards of safety and health shall be submitted by the Code Authority to the Administrator within six (6) months after the effective date of this Code. Upon approval by the Administrator such standards shall become operative as a part of this Code.

SECTION 10. No member of the Industry shall avoid or evade the labor provisions of this Code by contracting his work to any person or persons subject to labor provisions less stringent than those provided in this Code.

ARTICLE VI—ADMINISTRATION

To further effectuate the policies of the Act, a National Code Authority is hereby constituted to cooperate with the Administrator in the administration of this Code.

SECTION 1. *Organization and Constitution of Code Authority.*—The Merchant and Custom Tailoring Code Authority shall consist of thirteen (13) members as follows: Seven (7) members to

be selected by the Executive Committee of the National Association of Merchant Tailors of America, to represent, as far as practicable, the different sections of the country east of the Rocky Mountains; one (1) member to be selected by the Executive Committee of the Pacific Coast Merchants Tailors Association, to represent that section of the country corresponding to the twelfth (12th) Federal Reserve District; one (1) member to be selected by the Executive Committee of the Merchant Tailor Designers Association of America; one (1) member to be appointed by the Administrator to represent the interest of the contractors in their capacity as employers of labor; one (1) member to be appointed by the Administrator, to represent non-members of the above-named Associations; one (1) member to be selected by the general Executive Board of the Journeyman Tailors Union of America; one (1) member to be appointed by the Administrator on the recommendation of the Labor Advisory Board of the National Recovery Administration; and not more than three (3) additional members to be appointed by the Administrator, in his discretion, without vote, to serve for such terms as he may specify.

The terms of the Industry members of the Code Authority shall be one year, or until the appointment of their successors.

(a) Each association directly or indirectly participating in the selection or activities of the Code Authority shall: (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

(b) In order that the Code Authority shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

(c) *Regional Committee.*—The Code Authority, subject to the approval of the Administrator, shall appoint Regional Committees for major geographical sections of the country designated as follows: One Regional Committee for the Eastern section comprising the New England and Middle Atlantic States, one Regional Committee for the Central and Middle West section of the country, one Regional Committee for the Southern States, and one Regional Committee for the Western part of the country corresponding to the Twelfth Federal Reserve District. Such regional committees shall be composed of members of the Industry who have places of business in the region which the Regional Committee is to serve. It shall be the function of these Regional Committees to serve in an Advisory capacity to the Code Authority in the administration of the Code, and to be the administrative agencies of the Code Authority in their respective Regions. It shall also be the particular duty of these Regional Committees to determine for their respective regions the seasonal peak periods defined in Article III, Section 2 of this Code,

subject to the approval of the Code Authority and of the Administrator. The Regional Committee shall have the power to appoint subsidiary or local agencies for the administration of the provisions of this Code, subject to the approval of the Code Authority.

SECTION 2. The Code Authority shall have the following duties and powers to the extent permitted by the Act.

(a) *General Powers.*—The Code Authority shall, in addition to the specific powers herein conferred, have all general powers necessary to assist the Administrator in the administration and enforcement of this Code.

(b) *Reports and Investigations.*—The Code Authority shall require from all members such reports as are necessary to effectuate the purposes of this Code and may, upon its own initiative or upon complaint to it of any persons affected, make investigation as to the functioning of any provisions of the Code and report the results of such investigation to the Administrator, subject to such rules and regulations as may be prescribed by the Administrator.

(c) The Code Authority shall require all members of the industry to file with it within 30 days after this Code goes into effect complete schedules of their rates of pay to journeymen tailors, helpers, apprentices, and contractors in their employ, and to report promptly to the Code Authority any changes in such schedules.

(d) *Recommendations.*—The Code Authority may from time to time present to the Administrator recommendations based on conditions in the Industry, which will tend to effectuate the operation of the provisions of this Code and the policy of the Act.

(e) (1) It being found necessary in order to support the administration of this Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Code Authority is authorized:

A. To incur such reasonable obligations as are necessary and proper for the foregoing purposes, and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code;

B. To submit to the Administrator for his approval, subject to such notice and opportunity to be heard as he may deem necessary (1) an itemized budget of its estimated expenses for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Industry;

C. After such budget and basis of contribution have been approved by the Administrator, to determine and obtain equitable contribution as above set forth by all members of the Industry, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(2) Each member of the Industry shall pay his or its equitable contribution to the expenses of the maintenance of the Code Authority, determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the Administrator. Only members of the Industry complying with the code and contributing to the expenses of its administration as hereinabove provided, shall be entitled to participate in the selection of members of the Code Authority or to receive the benefits of any of its vol-

untary activities or to make use of any emblem or insignia of the National Recovery Administration.

(3) The Code Authority shall neither incur nor pay any obligation in excess of the amount thereof as estimated in its approved budget, except upon approval of the Administrator; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the Administrator shall have so approved.

SECTION 3. In addition to the information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3, (a) of the Act.

SECTION 4. The Code Authority shall have the power under such rules and regulations as may be established by the Administrator to receive complaints of violations of this Code, make investigations thereof, provide hearings thereon, and adjust such complaints; and bring to the attention of the Administrator recommendations and information relative to unadjusted violations.

SECTION 5. The Code Authority shall have the power to use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

SECTION 6. The Code Authority, subject to the approval of the Administrator, shall define and determine trade areas.

SECTION 7. The Code Authority shall appoint a Coordination Committee representing the Merchant and Custom Tailoring Code Authority to meet with a like committee of the Men's Clothing Code Authority or any other related Code Authority in an endeavor to adjust any differences of opinion as to jurisdiction or conflicts of any nature between the various related codes.

SECTION 8. The Code Authority shall appoint a trade practice committee which shall meet with the trade practice committees appointed under such other codes as may be related to the Industry for the purpose of formulating fair trade practices to govern the relationships between employers under this code and under such others to the end that such fair trade practices may be proposed to the Administrator as amendments to this Code and such other codes.

SECTION 9. If the Administrator shall determine that any action of the Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty days' notice to him of intention to proceed with such action in its original or modified form.

ARTICLE VII—LABELS

All articles manufactured subject to the provisions of this Code shall bear an N.R.A. label or an authorized substitute therefor, to symbolize to purchasers of said articles the conditions under which they have been manufactured.

(a) The Code Authority shall have the exclusive right in this Industry to issue and furnish said labels to the members thereof.

(b) Each label shall bear a registration number especially assigned to each employer by the Code Authority and remain attached to such garment when sold.

(c) Any and all members of the Industry may apply to the Code Authority for a permit to use such N.R.A. label, which permit to use the label shall be granted to them, but only if and so long as they comply with this Code.

(d) Subject to the approval of the Administrator, the Code Authority shall establish rules and regulations and appropriate machinery for the issuance of labels and the inspection, examination and supervision of the practices of members of the Industry using such labels.

(e) The charge made for such labels by the Code Authority shall at all times be subject to the supervision and orders of the Administrator and shall be not more than an amount necessary to cover the reasonable cost thereof, including the making, distribution and administration, and supervision of the use thereof as hereinabove set forth.

ARTICLE VIII—UNFAIR TRADE PRACTICES

The following practices constitute unfair methods of competition for members of the Industry and are prohibited:

SECTION 1. *False Marking or Branding.*—The false marking or branding of any product of the Industry which has the tendency to mislead or deceive customers or prospective customers, whether as to the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the Industry, or otherwise.

SECTION 2. *Misrepresentation or False or Misleading Advertising.*—The making or causing or knowingly permitting to be made or published any false, materially inaccurate, or deceptive statement by way of advertisement or otherwise, whether concerning the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the Industry, or the credit terms, values, policies, or services of any member of the Industry or otherwise, having the tendency or capacity to mislead or deceive customers or prospective customers. (1) The use of the term "Merchant Tailor" in any advertising, window sign or display, by any member of the Industry who does not carry a stock of woollens or trimmings on his premises shall be deemed misleading and deceptive advertising. This provision is not, however, designed to restrict or hinder any Custom Tailor from advertising himself as a Custom Tailor where no stock of woollens or trimmings is carried on the premises, nor to limit a Merchant Tailor as herein

defined, from advertising himself as a Merchant or Custom Tailor or both.

SECTION 3. *Commercial Bribery*.—The giving, permitting to be given, or directly offering to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. This provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

SECTION 4. *Interference with Contractual Relations*.—Maliciously inducing or attempting to induce the breach of an existing oral or written contract between a competitor and his customer or source of supply, or interfering with or obstructing the performance of any such contractual duties or services.

SECTION 5. The hiring away of an employee of a competitor without first permitting that employee a reasonable time to complete the work upon which he was engaged.

SECTION 6. *Secret Rebates*.—The secret payment or allowance of rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise, or the secret extension to certain purchasers of special services or privileges not extended to all purchasers on like terms and conditions.

SECTION 7.—The offering or giving of prizes, premiums, or gifts in connection with the sale of products, or as an inducement thereto, in ways which involve chance, lottery, misrepresentation, or fraud, or the advertising of free pressing service.

SECTION 8. *Defamation*.—The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or by the false disparagement of the grade or quality of their goods.

SECTION 9. *Threats of Litigation*.—The publishing or circularizing of threats of suits for infringements of patents or trade-marks or of any other legal proceedings not in good faith, with the tendency or effect of harassing competitors or intimidating their customers.

SECTION 10. *Espionage of Competitors*.—Securing confidential information concerning the business of a competitor by a false or misleading statement or representation, by a false impersonation of one in authority, by bribery, or by any other unfair method.

SECTION 11. Making special or temporary wage agreements with employees below the prevailing scale for the purpose of offering special price inducements.

ARTICLE IX—MODIFICATION

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under said Act.

SECTION 2. This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modifications to be based upon application to the Administrator and such notice and hearing as he shall specify, and to become effective on approval of the Administrator.

ARTICLE X—MONOPOLIES, ETC.

No provision of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made impossible of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases should be delayed and that, when made, the same should, so far as reasonably possible, be limited to actual increases in the seller's costs.

ARTICLE XII—EFFECTIVE DATE

This Code shall become effective ten days after its approval by the Administrator.

Approved Code No. 494.
Registry No. 272-2-03.



UNIVERSITY OF FLORIDA



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